

Written Testimony of the Connecticut Siting Council Submitted to the Energy and Technology Committee

In Reference to Raised Bill No. 412 An Act Restricting the Use of Incentives for the Development of Solar Arrays on Agricultural Land February 7, 2017

Good afternoon Senator Formica and Senator Winfield, Representative Reed, ranking and distinguished members of the Energy and Technology Committee. Thank you for the opportunity to provide testimony in connection with Raised Bill No. 412, An Act Restricting the Use of Incentives for the Development of Solar Arrays on Agricultural Land.

This bill proposes to restrict the use of incentives for the development of solar arrays on agricultural land, a term that is undefined. The Connecticut Siting Council (Council) has jurisdiction over the construction, operation and maintenance of electric generating facilities utilizing renewable energy sources with a generating capacity of more than 1 megawatt. Connecticut's Energy Policy includes the development and utilization of renewable energy sources to the maximum practicable extent.

Incentives: This bill makes no distinction between state and federal incentives for the development of solar arrays. The federal Energy Policy Act of 2005 created a 30% federal investment tax credit (FITC) for solar systems on residential and commercial properties. The U.S. Department of Agriculture (USDA) found a nationwide average of 6% of farm expenses relating directly to energy use. Solar projects could supply or supplement farm energy requirements. It appears from the text of this bill that owners of agricultural land, a term that is undefined, would be prohibited from developing solar projects on their private property to meet their energy consumption needs and resell excess energy back to the grid.

Economic Implications: According to the Connecticut Supreme Court, agriculture is an economic resource rather than a natural resource.² Agricultural operations are exempt from nuisance laws due to odor, noise, dust, chemicals and water pollution, and are permitted uses in wetlands and watercourses as of right.³ The state Comprehensive Energy Strategy (CES) is an assessment of all residential, commercial and industrial energy issues that is prepared every three years and developed through an open, collaborative stakeholder process to identify opportunities for securing cheaper, cleaner, more reliable energy options. According to the CES, agriculture has a high economic multiplier effect, meaning that every dollar in output generates economic activity in other sectors.⁴ The CES recommends program funding to be dedicated in part to developing additional programs to capture process energy savings that are tailored to the needs of specific industries, including agriculture. Passage of this bill would prohibit development of programs to capture process energy savings in the agricultural sector.

Agricultural Virtual Net Metering: According to the USDA, solar energy in agriculture has been associated with off-grid applications, but in states where interconnection and net metering policies are available, on-grid systems are gaining momentum. Connecticut has an Agricultural Virtual Net Metering

¹ U.S. Department of Agriculture, Solar Energy Use in U.S. Agriculture Overview and Policy Issues, April 2011 ² Red Hill Coalition, Inc. v. Town Plan & Zoning Com., 212 Conn. 727 (1989) (If the legislature desired to include agricultural land as a natural resource, it would have explicitly so provided).

³ Conn. Gen. Stat. §19a-341 (2016); Conn. Gen. Stat. §22a-40 (2016).

⁴ Connecticut Department of Energy and Environmental Protection, 2013 Comprehensive Energy Strategy, February 19, 2013 at page 36.

Program. In 2013, the Connecticut Farm Bureau Association indicated that a key recommendation of the Governor's Council on Agricultural Development is "to encourage the state to develop an agricultural friendly energy policy that includes agricultural net metering and encourages on-farm renewable energy generation to lower production costs and provide additional revenue to farmers." Also in 2013, the Connecticut Farm Energy Program expressed concerns regarding long term sustainability and the high cost of energy needed to keep farming operations viable. Installation of solar projects for on-site energy consumption needs and resale of excess energy produced back into the grid through agricultural virtual net metering could generate another revenue stream for farmers and keep their farming operations viable. Passage of this bill would foreclose these opportunities.

Carbon Emissions: The USDA notes that the potential for solar energy use is diverse and can substitute for more traditional energy sources used in farming operations, such as gasoline, diesel and liquefied petroleum. Energy use has a direct correlation to carbon dioxide emissions. Emissions are influenced by the type of energy used for agricultural production. Utilization of solar energy for agricultural production would reduce these emissions. To date, calculated carbon dioxide emissions savings from solar projects reviewed and approved by the Council amount to approximately 109,278 metric tons of carbon dioxide emissions avoided per year. Pursuant to the state's Global Warming Solutions Act, emissions are to be reduced to a level at least 10% below 1990 levels by 2020. Passage of this bill would thwart the goals of the Global Warming Solutions Act.

In summary, the Council opposes the passage of Raised Bill No. 412 on the basis that the term agricultural land is undefined and the proposed bill is in direct contravention of the goals of the state energy policy, prohibits development of programs to capture process energy savings in the agricultural sector, forecloses opportunities for additional revenue and sustainability of farming operations on private property and thwarts the goals of the state Global Warming Solutions Act.

In lieu of passage of Raised Bill 412, the Council recommends the proponents of this bill become actively engaged in the open, collaborative development process of the Comprehensive Energy Strategy or convene a working group.

Thank you again for the opportunity to provide testimony on this proposal. Should you have any questions or seek additional information, please feel free to contact Melanie Bachman at the Council office at 860-827-2951 or Melanie.Bachman@ct.gov.

Robin Stein Chairman Connecticut Siting Council

⁵ Connecticut Farm Bureau Association, Testimony in Support of HB No. 6360, March 7, 2013.

⁶ Connecticut Farm Energy Program, Testimony in Support of HB No. 6360, March 7, 2013.